

Phase 1: Acquisition Planning

Set the stage for a successful project

Phase 1

Phase 2:
ESCO Selection – Preliminary Assessment

Phase 3:
Investment-Grade Audit (IGA) to Award

Acquisition Planning

Months

1 2 3 4 5 6 7 8 9 10 11 12

- ★ Get started with FEMP Federal Financing Specialist (FFS)
- ★ Engage Project Facilitator
- ★ Assemble Agency Acquisition Team
- ★ Consider project motivations and site needs
- ★ Develop Acquisition Plan
- ★ Determine appropriate approval levels
- ★ Determine ESCO selection procedures
- ★ Define project requirements

The FEMP Financing Specialist (FFS) helps with project preliminaries:

- Determining whether “pay-from-savings” project is feasible
- Educating staff and developing agency support for project
- Determining what kind of project support is needed within agency

FEMP Support and Project Facilitators (PFs)

- Engaging the services of a DOE-qualified Project Facilitator is required
 - FEMP assistance (FFS and PF) provided free to agency through preliminary assessment review and Notice of Intent to Award
 - After that, FFS will help set up an Interagency Agreement (IAA) for continuing PF services
 - A sample statement of work for PFs and IAA are on FEMP's ESPC Resources Web page

DOE Golden Office Guidance on Acquisition Planning

- FAR Part 7 requires acquisition planning for all acquisitions.
- ESPC task orders are not exempt.
- Acquisition planning ensures that the government meets its needs in the most effective, economical, and timely manner.

Important Elements of a Written Acquisition Plan

- ✓ Statement of Need
- ✓ Applicable Conditions
- ✓ Cost
- ✓ Capability or Performance
- ✓ Delivery or Performance Period Requirements
- ✓ Trade-offs
- ✓ Risks
- ✓ Sources
- ✓ Competition*
- ✓ Source-selection procedures*
- ✓ Budgeting and Funding
- ✓ Management Information Requirements
- ✓ Miscellaneous Considerations
- ✓ Government Furnished Property and Information
- ✓ Contract Administration
- ✓ Milestones for the Acquisition Cycle

Assemble an Acquisition Team

- Everyone who could help or hinder (or be affected by) project should be invited, e.g.:
 - **Contracting officer & site technical representative**
 - Facility manager and facility maintenance staff
 - Energy, design, and construction engineers
 - Procurement and legal staff
 - Budget/comptroller representative
 - Union reps, labor relations
 - Agency customers and tenants
 - Environment, health, safety
 - Security representative

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The Acquisition Team – Roles and Strategy

- Develop acquisition plan
- Create and implement a plan to achieve objectives
 - Define team roles
 - Build site & agency support for project
 - Educate other staff and tenants about the project, the process, and benefits of ESPCs
 - Encourage members to attend ESPC webinars and/or workshop
 - Who's your champion?
 - Keep everyone on track, keep process moving forward
- Assure (with DOE help) a good deal

The Acquisition Team Establishes Project Requirements (in broad strokes):

- Priority objectives for the project (e.g., meet energy goals, or replace failing equipment)
- Which buildings/facilities
- Must-have ECMs
- “Wish list” ECMs

Considerations in Defining Project Requirements

- Future use of facilities
 - *Ten-Year Site Plans*
- Other planned construction
- Site needs and priorities based on
 - Command/upper management priorities
 - Condition of equipment
 - Feedback from employees/building occupants
- Site budget for utilities and energy-related equipment and O&M
- Unique agency- and site-specific issues

Obtaining Required Reviews/Approvals

- Identify early the decision makers – at all levels – who have authority to approve the project
 - Educate decision makers about ESPC
 - Ensure they have all info they need
- Determine
 - when briefings must occur
 - what documents are required
 - who has signing authority
- Prepare for business clearance review concurrently with other process steps
- This is critical to keeping the project on track and preventing delays

Level of Required Agency Effort Varies

- Factors include:
 - ESPC experience on acquisition team
 - Project complexity and size
 - Agency approval process
- Contracting officer and energy/facility manager will carry most responsibility
 - Other acquisition team members engaged as needed, when needed

Rough Estimates of ESPC Effort

- To award task order
 - Energy/facility manager: 2-5 full-time employee (FTE) mos.
 - Contracting office: 1-3 FTE mos.
- Construction, commissioning, post-installation M&V
 - Mostly energy/facility manager
 - Time needed varies widely with project complexity and site requirements
 - Typical agency construction/acceptance process
- Contract admin. through first-year M&V
 - ~1 FTE mo. (combined CO and COR)

Best Practices for Achieving TO Award in 12 Months – Prepare Your Team

- Project Champion — Identify a team champion/agency project manager who will keep the project on track. The champion/project manager educates the project team and stakeholders early and often.
- ESCO — Select using Selection Based on Qualifications process.
- Acquisition Team — Assign clear roles and responsibilities and commit to an award schedule, using the 12 month project cycle as the starting point.

Best Practices for Achieving TO Award in 12 Months – Prepare Your Team (continued)

- Management — Ensure that the management team is fully briefed and supportive of the ESPC Team at each stage, with management's issues/priorities addressed.
 - Management commitment to meet review and approval timelines
 - Management commitment to allocate resources in support of project

Best Practices for Achieving TO Award in 12 Months – Tools and Resources

- Tools and Resources – Use FEMP resources and experts (PF, FFS, DOE GO, labs)
 - With the experts' help, use streamlined and standardized processes, e.g., FEMP templates or other Agency process, for consistency and efficiency.

Review Questions

Q1: Who is the first (FEMP) person to ask for help with your ESPC project?

A: The FEMP Federal Financing Specialist (FFS)

Q2: Are you required to use a Project Facilitator?

A: Agencies who use the DOE-FEMP IDIQ ESPC are required to use a qualified project facilitator.

Q3: FEMP FFS and PF services are provided free until after agency review of the what?

A: Preliminary Assessment

Q4: Who are the two agency staff who typically carry most responsibility for the acquisition team?

A: Contracting Officer and site technical representative

Q5: Name two roles of the acquisition team.

- Create and implement a plan to achieve objectives
- Develop acquisition plan
- Define team roles
- Build site & agency support for project
- Keep everyone on track, keep process moving forward
- Assure a good deal for the government

NEXT: Module D

Efficient Products, Advanced Technologies, and Renewables: Getting Deeper Savings from your ESPC

